



2019-2020 General Assembly

HOUSE BILL 1105: Coronavirus Relief Act 3.0, Sec. 1.6: Changes to the Small Business Loan Assistance Program

Committee:
Introduced by:
Analysis of: Sec. 1.6 of S.L. 2020-97

Date: October 14, 2020
Prepared by: Dan Ettefagh
Staff Attorney

OVERVIEW: *Section 1.6 of S.L. 2020-97 amends the Small Business Loan Assistance Program enacted in Section 4.2 of S.L. 2020-4 by changing loan terms and loan prioritization and making technical changes. An explanation of the program, as originally enacted, can be found in the summary for S.L. 2020-4. This section became effective September 4, 2020.*

BILL ANALYSIS: Section 1.6 of the act modifies the Small Business Loan Assistance Program enacted by Section 4.2 of S.L. 2020-4 and administered by Golden LEAF in the following ways:

- Increasing the scope of prioritization from businesses with 100 or fewer FTEs to 150 or fewer full-time equivalent employees.
- Increasing the max term of a loan awarded under the Program from 66 to 120 months.
- Increasing the max loan amount available to a recipient under the Program from \$50k to \$250k.
- Delaying repayment of the loan awarded under the Program by a recipient from six to 18 months.
- Modifying net loan funds to be repaid by a recipient by excluding expenses incurred to recapture loan funds.
- Making technical changes.

EFFECTIVE DATE: This section became effective September 4, 2020.

Kory Goldsmith
Director



Legislative Drafting
919-733-6660